IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

NOVARTIS PHARMACEUTICALS
CORPORATION, NOVARTIS AG,
NOVARTIS PHARMA AG, NOVARTIS
INTERNATIONAL PHARMACEUTICAL
LTD. and LTS LOHMANN THERAPIESYSTEME AG

Plaintiffs,

C.A. No. 1:13-CV-00052-RGA

V.

ALVOGEN PINE BROOK, INC. and
ALVOGEN GROUP, INC.

PLAINTIFFS' REPLY TO DEFENDANTS' COUNTERCLAIMS

Plaintiffs Novartis Pharmaceuticals Corporation, Novartis AG, Novartis Pharma AG, Novartis International Pharmaceutical Ltd. and LTS Lohmann Therapie-Systeme AG (hereinafter "Plaintiffs"), reply to the numbered paragraphs of the Counterclaims of defendants Alvogen Pine Brook, Inc. and Alvogen Group, Inc. (hereinafter "Alvogen") as follows:

THE PARTIES

1. Plaintiffs admit the allegations of paragraph 1.

Defendants.

- 2. Plaintiffs admit the allegations of paragraph 2.
- 3. Plaintiffs admit the allegations of paragraph 3.
- 4. Plaintiffs admit the allegations of paragraph 4.
- 5. Plaintiffs admit the allegations of paragraph 5.
- 6. Plaintiffs admit the allegations of paragraph 6.
- 7. Plaintiffs admit the allegations of paragraph 7.

FACTS AS TO ALL COUNTERCLAIMS

- 8. Plaintiffs repeat their responses to paragraphs 1-7 as if fully set forth herein.
- 9. Paragraph 9 contains legal conclusions to which no answer is required. To the extent that an answer is required, Plaintiffs admit that this Court has jurisdiction over the subject matter of this action and that this action arises under the patent laws of the United States.

 Plaintiffs deny the remaining allegations of paragraph 9.
- 10. Paragraph 10 contains legal conclusions to which no answer is required. To the extent that an answer is required, Plaintiffs do not contest personal jurisdiction in this judicial District for purposes of this action only. Plaintiffs deny the remaining allegations of paragraph 10.
- 11. Paragraph 11 contains legal conclusions to which no answer is required. To the extent that an answer is required, Plaintiffs admit that, for purposes of this action, venue is proper in this District. Plaintiffs deny the remaining allegations of paragraph 11.
 - 12. Plaintiffs admit the allegations of paragraph 12.
- 13. Plaintiffs admit that in their Complaint, Plaintiffs allege that Alvogen's ANDA infringes one or more claims of the '023 and '031 patents. Plaintiffs deny the remaining allegations of paragraph 13.
- 14. Plaintiffs admit the allegations of paragraph 14; however, LTS Lohmann
 Therapie-Systeme GmbH & Co. KG subsequently changed its legal form to become Plaintiff
 LTS Lohmann Therapie-Systeme AG.
- 15. Plaintiffs admit the allegations of paragraph 15; however, LTS Lohmann
 Therapie-Systeme GmbH & Co. KG subsequently changed its legal form to become Plaintiff
 LTS Lohmann Therapie-Systeme AG.

16. Plaintiffs admit the allegations of paragraph 16.

Count I: Declaration of Non-Infringement of the '023 Patent

- 17. Plaintiffs repeat their responses to paragraphs 1-16 as if fully set forth herein.
- 18. On information and belief, Plaintiffs deny the allegations of paragraph 18.
- 19. On information and belief, Plaintiffs deny the allegations of paragraph 19.
- 20. Plaintiffs admit the allegations of paragraph 20.
- 21. On information and belief, Plaintiffs deny the allegations of paragraph 21.
- 22. On information and belief, Plaintiffs deny the allegations of paragraph 22.

Count II: Declaration of Invalidity of the '023 Patent

- 23. Plaintiffs repeat their responses to paragraphs 1-22 as if fully set forth herein.
- 24. Plaintiffs deny the allegations of paragraph 24.
- 25. Plaintiffs admit the allegations of paragraph 25.
- 26. Plaintiffs deny the allegations of paragraph 26.

Count III: Declaration of Non-Infringement of the '031 Patent

- 27. Plaintiffs repeat their responses to paragraphs 1-26 as if fully set forth herein.
- 28. On information and belief, Plaintiffs deny the allegations of paragraph 28.
- 29. On information and belief, Plaintiffs deny the allegations of paragraph 29.
- 30. Plaintiffs admit the allegations of paragraph 30.
- 31. On information and belief, Plaintiffs deny the allegations of paragraph 31.
- 32. On information and belief, Plaintiffs deny the allegations of paragraph 32.

Count IV: Declaration of Invalidity of the '031 Patent

33. Plaintiffs repeat their responses to paragraphs 1-32 as if fully set forth herein.

34. Plaintiffs deny the allegations of paragraph 34.

35. Plaintiffs admit the allegations of paragraph 35.

36. Plaintiffs deny the allegations of paragraph 36.

PRAYER FOR RELIEF

37. The "WHEREFORE" paragraph following paragraph 36 of the Counterclaims

and the nine lettered paragraphs (A-I) that follow it state Alvogen's request for relief, to which

no response is required. To the extent that a response is required, Plaintiffs deny the allegations

set forth in the "WHEREFORE" paragraph following paragraph 36 of the Counterclaims and the

nine lettered paragraphs (A-I) that follow it, and deny that Alvogen is entitled to any of the relief

requested therein, or to any relief whatsoever.

Dated: February 21, 2013

McCARTER & ENGLISH, LLP

/s/ Daniel M. Silver

Michael P. Kelly (#2295)

Daniel M. Silver (#4758)

Renaissance Centre

405 N. King Street, 8th Floor

Wilmington, Delaware 19801

(302) 984-6300

mkelly@mccarter.com

dsilver@mccarter.com

Attorneys for Plaintiffs

4

Of Counsel:

Nicholas N. Kallas Filko Prugo FITZPATRICK, CELLA, HARPER & SCINTO 1290 Avenue of the Americas New York, New York 10104-3800 (212) 218-2100 nkallas@fchs.com fprugo@fchs.com